



Winapear Business Reference Room
University of Alberta
1-18 Business Building
Edmonton, Alberta T6G 2A8



1995 ANNUAL REPORT

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CANADA: Calgary • Grande Prairie • Rainbow Lake
INTERNATIONAL: Singapore (Datalogger/Oakwell)

DATALOGGER INC.

The first Datalogger unit was manufactured in 1989 at Okotoks, Alberta, Canada to fulfill an Energy Industry need for an **inexpensive** method of measuring and recording *surface data*.

Datalogger Surface Electronic Data Acquisition System

"State-of-the-art electronics" are packaged to provide **reliable, accurate** surface measurements in a variety of well test applications **and** it allows for easy data retrieval which can aid in the timely analysis of production or reservoir parameters.

Types of Measurements Available

- A. Wellhead tubing/casing pressures and temperature
- B. Static/differential pressures and temperature
- C. Gas flow — meter runs, flow provers, annubars, pitot tubes
- D. Liquid flow — turbine meters

CORPORATE PROFILE

Winspear Business Reference Room
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Edmonton, Alberta T6G 2R6

Datalogger Inc. was incorporated as an Alberta private Company in December 1992. This was the culmination of a five year long testing and development process of Beta testing our Surface Data Acquisition System.

June 22, 1994 saw Datalogger Inc. accepted on the Alberta Stock Exchange as a publicly listed corporation with the trading symbol DLI.ASE. Our listing completed an offering of 1,500,000 common shares fully subscribed at a price of \$0.50 per share.

Since the inception of the Datalogger concept our management has strived to achieve a professional and secure market presence in the Canadian oil and gas industry. Consistent improvement in the DLI technology and personnel, combined with ongoing research and product development has been aimed at keeping pace with the changes occurring in this industry. This strategy has allowed DLI to provide a unique and valuable service to our clients.

An early strategy of the company was to effect an acquisition of a company that would complement DLI in northern Alberta. We felt this would provide a subsidiary company to open marketing and field office doors for us and give DLI a truly provincial field service entity to our customers. The acquisition of Ed's Valve Servicing (1980) Ltd. on September 30, 1994 has accomplished this objective.

Efforts to establish and develop an overseas market for our technology resulted in an agreement with Oakwell Engineering Limited of Singapore and the formation of a Joint Venture company known as Datalogger/Oakwell International Inc. Market strategies are being refined and the coming year should benefit DLI greatly from this expansion and our net experience gained from the past years work.

Continuing the evolution of the applications used by the DLI System will ensure that as DLI enters its second full year as a public corporation, optimization of both our opportunities and resources presently in hand will be an achievable goal.

PRESIDENT'S LETTER TO SHAREHOLDERS

The Directors herewith present to the shareholders the Consolidated Financial Statements of Datalogger Inc for the year ended March 31, 1995 and this report of activities.

Total revenues for the year increased fourfold to a level of \$1.748,000. While this represents a significant increase from the prior years sales, our profit picture reflects the investment made in our new market areas of the United States and South East Asia. Our endeavours in these markets did not create revenues in terms of this reporting period. This in combination with our conservative approach and aggressive stance on depreciation and amortization issues created a loss. We feel that policies of needless capitalization or deferral of development revenues would not appreciably have affected the results of 1995. We continue to stress the proper building of the company and our business and this requires investing in the company and its personnel.

We see our operational profitability changing during fiscal 1996 to a positive number because of South East Asia and the development of a U.S. strategy.

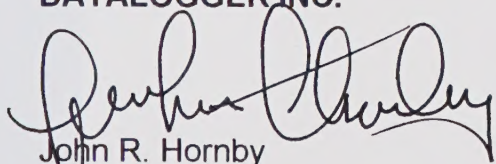
The operational loss was created primarily by the investment in our development areas and the personnel this required. The completion of our short-term objectives this spring has allowed for the trimming of expenses.

Management will consolidate its present position in the current ventures before seeking additional opportunities.

We have become a public corporation and an international company in this past year and I wish to thank our company directors and our total staff for their level of support and effort. Every aspect of the business has been directly affected by the continuing changes. We have successfully accomplished a great deal and building on these successes will require a continuing commitment from all members of the DLI family.

I would like to take this opportunity to thank our shareholders for their ongoing support as we look forward to a very promising year.

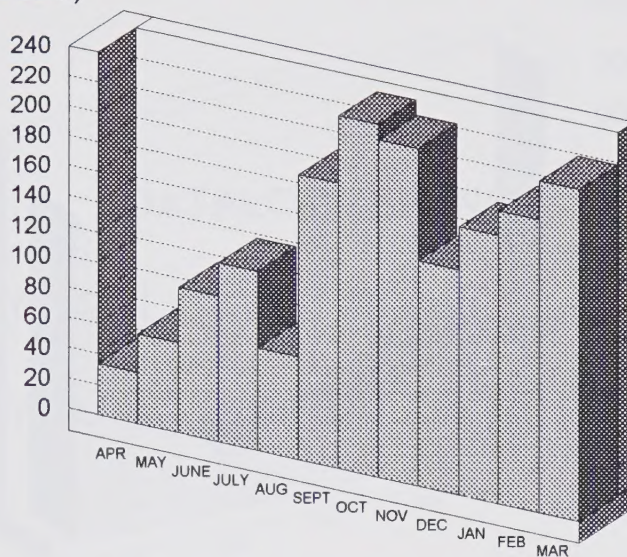
Sincerely,
DATALOGGER INC.



John R. Hornby
President

DATALOGGER INC. CONSOLIDATED REVENUE

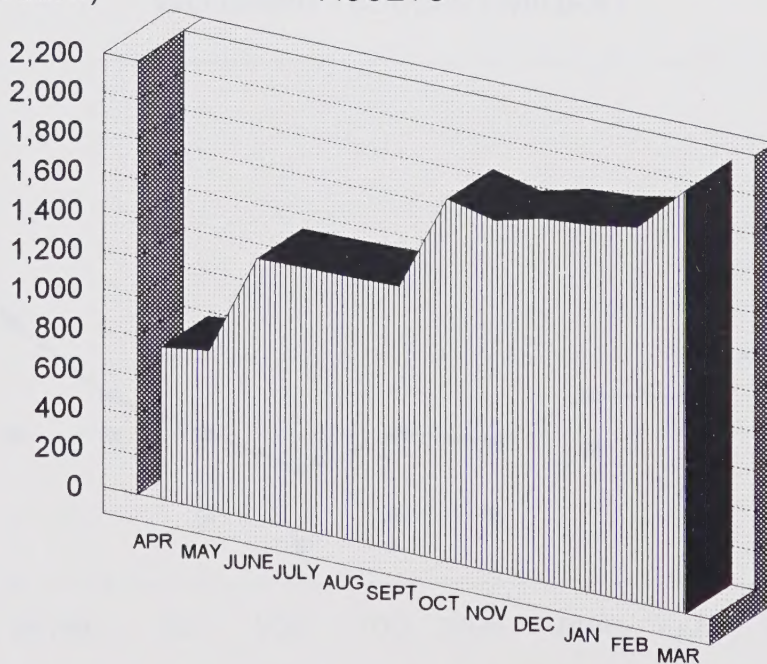
(IN 000'S)




APRIL 1994 - MARCH 1995

DATALOGGER INC. ASSETS

(IN 000'S)



APRIL 1994 - MARCH 1995



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SCHULTZ LEONG

Chartered Accountants

Kenneth A. Schultz, CA*
Herman Leong, CA*

* Denotes Professional Corporation

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Calgary, Alberta T2E 7C8
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AUDITORS' REPORT

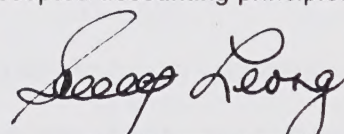
To the Shareholders of
Datalogger Inc.:

We have examined the consolidated balance sheet of Datalogger Inc. as at March 31, 1995 and the consolidated statements of loss and accumulated deficit and changes in financial position for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the company as at March 31, 1995 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Calgary, Alberta
June 6, 1995

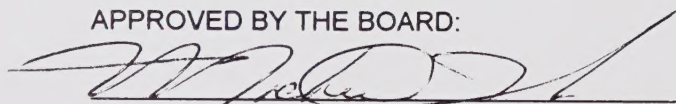


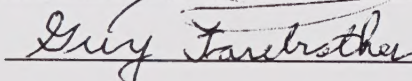
SCHULTZ LEONG
Chartered Accountants

DATALOGGER INC.
CONSOLIDATED BALANCE SHEET
MARCH 31, 1995

	<u>1995</u>	<u>1994</u>
ASSETS		
CURRENT ASSETS,		
Cash (Note 5)	\$ 250,747	\$ ---
Accounts receivable	503,992	117,481
Income taxes recoverable	8,613	---
Inventory	153,898	---
Deferred development costs (Note 2)	135,848	14,590
Prepaid expenses	<u>24,749</u>	<u>2,007</u>
	1,077,847	134,078
 CAPITAL ASSETS (Notes 3 and 6)	 997,612	 483,190
 PREPAID EXPENSES OF PUBLIC ISSUANCE OF SECURITIES	 ---	 15,000
 PROPRIETARY TECHNOLOGY (Note 4)	 <u>74,836</u>	 <u>152,071</u>
	\$ <u>2,150,295</u>	\$ <u>784,339</u>
LIABILITIES		
CURRENT LIABILITIES		
Cheques issued in excess of funds on deposit	\$ 39,960	\$ 11,375
Bank indebtedness (Note 5)	436,647	---
Accounts payable	303,896	66,008
Notes payable (Note 7)	22,705	45,000
Current portion of long term debt (Note 6)	<u>109,418</u>	<u>132,266</u>
	912,626	254,649
 NON-CURRENT PORTION OF LONG TERM DEBT (Note 6)	 231,770	 25,343
 DEFERRED INCOME TAXES PAYABLE	 <u>5,900</u>	 <u>---</u>
	1,150,296	279,992
SHAREHOLDERS' EQUITY (DEFICIT)		
SHARE CAPITAL (Note 8)	1,604,212	657,965
ACCUMULATED DEFICIT	<u>(604,213)</u>	<u>(153,618)</u>
	999,999	504,347
	\$ <u>2,150,295</u>	\$ <u>784,339</u>

APPROVED BY THE BOARD:





Director

Director

DATALOGGER INC.
CONSOLIDATED STATEMENT OF LOSS AND ACCUMULATED DEFICIT
YEAR ENDED MARCH 31, 1995

	<u>1995</u>	<u>1994</u>
REVENUE	\$ <u>1,748,352</u>	\$ <u>345,396</u>
DIRECT EXPENSES		
Wages, commissions and contract services	517,814	115,891
Materials and supplies	259,237	43,624
Field travel	113,740	15,517
Equipment rental and maintenance	<u>81,540</u>	<u>6,372</u>
	<u>972,331</u>	<u>181,404</u>
GROSS MARGIN	<u>776,021</u>	<u>163,992</u>
NON-DIRECT EXPENSES		
Salaries and management fees	626,623	59,930
Amortization of capital assets and proprietary technology	250,195	151,667
Office and administrative	195,077	53,890
Administrative travel and promotion	58,935	15,113
Professional fees	36,033	9,838
Interest and bank charges	34,995	8,043
Licenses, permits and insurance	27,301	5,070
Bad debts	<u>2,806</u>	<u>13,915</u>
	<u>1,231,965</u>	<u>317,466</u>
LOSS FOR THE YEAR BEFORE GAIN ON DISPOSAL OF CAPITAL ASSETS AND INCOME TAXES	(455,944)	(153,474)
GAIN ON DISPOSAL OF CAPITAL ASSETS	<u>2,636</u>	<u>---</u>
LOSS FOR THE YEAR BEFORE INCOME TAXES	<u>(453,308)</u>	<u>---</u>
INCOME TAXES (RECOVERED)		
Current	(8,613)	---
Deferred	<u>5,900</u>	<u>---</u>
	<u>2,713</u>	<u>---</u>
LOSS FOR THE YEAR	(450,595)	(153,474)
Accumulated deficit, beginning of year	<u>(153,618)</u>	<u>(144)</u>
ACCUMULATED DEFICIT, END OF YEAR	\$ <u>(604,213)</u>	\$ <u>(153,618)</u>
LOSS PER SHARE	\$ <u>(0.08062)</u>	\$ <u>(0.0453)</u>

DATALOGGER INC.
CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION
YEAR ENDED MARCH 31, 1995

	<u>1995</u>	<u>1994</u>
CASH WAS PROVIDED (USED) BY:		
OPERATING ACTIVITIES		
Loss for the year	\$ (450,595)	\$(153,474)
Amortization of capital assets and proprietary technology	250,195	151,667
Gain on disposal of capital assets	(2,636)	---
Deferred income taxes	5,900	---
	<u>(197,136)</u>	<u>(1,807)</u>
Changes in elements of working capital		
Accounts receivable	(386,511)	(90,315)
Income taxes recoverable	(8,613)	---
Inventory	(153,898)	---
Deferred development costs	(121,258)	(14,590)
Prepaid expenses	(22,742)	(2,007)
Accounts payable	237,888	30,547
	<u>(455,134)</u>	<u>(76,365)</u>
	<u>(652,270)</u>	<u>(78,172)</u>
INVESTING ACTIVITIES		
Capital assets	(684,746)	(550,670)
Proprietary technology	---	(228,106)
	<u>(684,746)</u>	<u>(778,776)</u>
FINANCING ACTIVITIES		
Cash with restrictions on availability	(250,747)	---
Prepaid expenses of public issuance of securities	15,000	(15,000)
Bank indebtedness	436,647	---
Notes payable	(22,295)	45,000
Long term debt, net of repayments	183,579	157,609
Issuance of share capital	946,247	657,964
	<u>1,308,431</u>	<u>845,573</u>
INCREASE (DECREASE) IN CASH IN THE YEAR	(28,585)	(11,375)
Cash (cheques issued in excess of funds on deposit), beginning of year	<u>(11,375)</u>	<u>---</u>
CASH (CHEQUES ISSUED IN EXCESS OF FUNDS ON DEPOSIT), END OF YEAR	\$ <u>(39,960)</u>	\$ <u>(11,375)</u>

DATALOGGER INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 1995

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Consolidation

The financial statements consolidate the accounts of the company and its wholly-owned subsidiary, Ed's Valve Servicing (1980) Ltd.

(b) Amortization of Capital Assets and Assets Acquired Under Capital Leases

The company provides for the amortization of capital assets at annual rates as follows:

Office furniture and equipment	12.5 % straight line basis and 20 % declining balance basis
Automotive equipment	14.3 % straight line basis and 30 % declining balance basis
Computer equipment	33.3 % straight line basis and 30 % declining balance basis
Machinery and equipment	20 % straight line basis and 20 % declining balance basis
Oilfield measurement equipment	20 % straight line basis

The company amortizes proprietary technology on the straight line basis over three years; leasehold improvements are amortized on the straight line basis over the life of the related lease.

(c) Participation in Joint Venture

The company is a participant in a joint venture known as Datalogger/Oakwell International Pte. Ltd., which joint venture has been organized under the laws of Singapore. The company is the owner of forty per cent of the joint venture which has been established to acquire the company's proprietary products and technology and to exploit that technology in South East Asia.

The company has not invested any capital in the joint venture company and has no liability for obligations of the joint venture company or to invest in the joint venture company. The company views its passive investment in the joint venture as a means to allow the sale of oilfield measurement devices developed and manufactured by the company and as a way to realize rental income in South East Asia. The company records sales of devices to the joint venture company at the fair market value of the devices in the period in which the sale occurs. The company records its share of net rental income earned by the joint venture only to the extent that such net rental income is remitted unconditionally to the company.

(d) Deferred Development Costs

The company has expended funds related to marketing development in certain foreign markets. Those expenditures have been recorded on a country by country basis and have been capitalized in order to allow amortization based on sales from each country. The company reviews capitalized deferred development costs in each accounting period. If the company determines at any point that previously capitalized costs are not recoverable the related costs will be reflected as an expense in the period in which that determination occurs.

DATALOGGER INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
YEAR ENDED MARCH 31, 1995

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Inventory Valuation

The company records inventory at the lesser of cost on a first in first out basis and market value.

(f) Income Taxes

The company provides for income taxes on the tax allocation basis under which provision is made for income taxes based on earnings for financial statement purposes regardless of when the underlying transactions are recognized for income tax purposes. The resulting timing differences may give rise to deferred income tax expense (recoveries) and relate primarily to the differences in methods of calculating amortization for financial statement purposes as compared to the methods required for income tax purposes.

(g) Acquisition of Subsidiary

The company has accounted for its acquisition of Ed's Valve Servicing (1980) Ltd. on the purchase method.

2. DEFERRED DEVELOPMENT COSTS

The company has commenced market development of its proprietary technology and oilfield measurement equipment in two countries in South East Asia and has expended funds appropriate to that process.

The company has formed a joint venture in one of the two countries. The company has received from the joint venture a letter of credit in the amount of \$ 350,000 drawn on the company's bank in favor of the company to provide security for any sales by the company to the joint venture. The company has capitalized development costs in respect of that country and will amortize those costs based on sales to the joint venture.

Capitalized development costs in respect of the second country are more speculative insofar as the company is currently negotiating a joint venture agreement with a potential partner in that country. If the company is unable to negotiate appropriate agreements to allow the distribution and rental of the company's technology and equipment the company will fully amortize its investment in deferred development costs in respect of the second country.

The company's investment in deferred development costs may be summarized as follows:

	<u>Country A</u>	<u>Country B</u>	<u>Total</u>
Balance, March 31, 1994	\$ 8,210	\$ 6,380	\$ 14,590
Additional investment in the year	67,239	58,144	125,383
Amount expensed on initial sale of equipment	<u>(4,125)</u>	<u>---</u>	<u>(4,125)</u>
Balance, March 31, 1995	<u>\$ 71,324</u>	<u>\$ 64,524</u>	<u>\$ 135,848</u>

DATALOGGER INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
YEAR ENDED MARCH 31, 1995

3. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value	
			1995	1994
Owned assets				
Oilfield measurement equipment	\$ 674,402	\$ 167,715	\$ 506,687	\$ 374,275
Office furniture and equipment	123,937	13,387	110,550	38,933
Computer equipment	75,451	24,402	51,049	17,850
Machinery and equipment	176,111	20,030	156,081	10,805
Automotive equipment	137,517	16,223	121,294	6,163
Leasehold improvements	16,422	2,137	14,285	---
Work in progress	21,795	---	21,795	35,164
Total owned assets	<u>1,225,635</u>	<u>243,894</u>	<u>981,741</u>	<u>483,190</u>
Assets acquired under capital leases				
Automotive equipment	12,104	1,815	10,289	---
Computer equipment	<u>6,567</u>	<u>985</u>	<u>5,582</u>	<u>---</u>
Total assets acquired under capital leases	<u>18,671</u>	<u>2,800</u>	<u>15,871</u>	<u>---</u>
	<u>\$ 1,244,306</u>	<u>\$ 246,694</u>	<u>\$ 997,612</u>	<u>\$ 483,190</u>

Amortization of capital assets includes \$ 2,801 (1994 - \$ NIL) with respect to amortization of assets acquired under capital leases.

Capital assets include \$ 21,795 (1994 - \$ 35,164) with respect to the self manufacture of oilfield measurement equipment. That equipment was not available for use at March 31, 1995 and the company recognizes no amortization on that equipment.

DATALOGGER INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
YEAR ENDED MARCH 31, 1995

4. PROPRIETARY TECHNOLOGY

The company's investment in proprietary technology may be summarized as follows:

Stated value of proprietary technology purchased jointly from a former officer and director and the spouse of that former officer and director effective April 1, 1993	\$ 228,106
Amortization of proprietary technology in fiscal 1994	<u>(76,035)</u>
Net book value, March 31, 1994	152,071
Amortization of proprietary technology in fiscal 1995	<u>(77,235)</u>
Net book value, March 31, 1995	\$ <u>74,836</u>

5. BANK INDEBTEDNESS

Advances from Bank of Montreal in the amount of \$ 132,647 are due on demand, bear interest at the lender's prime rate plus 1.5% and are secured by all assets of the company's subsidiary, Ed's Valve Servicing (1980) Ltd., which assets have a carrying value of \$ 638,092.

Advances from The Toronto-Dominion Bank in the amount of \$ 304,000 are due on demand, bear interest at the lender's prime rate plus .75 % and are secured by all assets of the company, including the specific assignment of cash of \$ 250,747.

6. LONG TERM DEBT AND CAPITAL LEASES PAYABLE

	<u>1995</u>	<u>1994</u>
(a) Long Term Debt		
The company is indebted to Bank of Montreal under a term loan repayable in monthly installments of \$ 349, including interest at 9 % per annum. The loan matures December, 1996 and is secured by accounts receivable having a carrying value of \$ 256,725.	\$ 6,799	\$ ---
The company is indebted to Bank of Montreal under a term loan repayable in monthly installments of \$ 2,625 plus interest at the lender's prime rate plus 2 % per annum. The loan matures March, 1998 and is secured by all assets of the company's subsidiary, Ed's Valve Servicing (1980) Ltd., which assets have a carrying value of \$ 638,092.	94,125	---
The company is indebted to Ford Credit Canada under a term loan repayable in monthly installments of \$ 916, including interest at 10.5 % per annum. The loan matures May, 1997 and is secured by automotive equipment having a carrying value of \$ 23,952.	<u>21,216</u>	<u>---</u>
Balance forward	\$ <u>122,140</u>	\$ <u>---</u>

DATALOGGER INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
YEAR ENDED MARCH 31, 1995

6. LONG TERM DEBT AND CAPITAL LEASES PAYABLE (Continued)

(a) Long Term Debt (Continued)	<u>1995</u>	<u>1994</u>
Brought forward	\$ 122,140	\$ ---
The company is indebted to Highwood Business Development Corporation. The company repays these advances in monthly installments of \$ 1,086, including interest at the rate of nine per cent per annum. This loan is secured by all assets of the company and by the guarantee of a former officer and director of the company. This loan matures May, 1997.	\$ 25,339	\$ 35,584
The company is indebted to The Toronto-Dominion Bank for term financing repayable in monthly installments of \$ 1,098, including interest at the rate of 8.45 % per annum. This loan matures August, 1997 and is secured by automotive equipment having a carrying value of \$ 29,455	28,762	---
The company is indebted to The Toronto-Dominion Bank for term financing repayable in monthly installments of \$ 1,139, including interest at 8.175 % per annum. This loan was fully repaid subsequent to March 31, 1995.	31,970	---
The company is indebted to 560081 Alberta Ltd., a shareholder of the company. This loan did not bear interest from the date of advance to March 31, 1995; commencing April 1, 1995 this loan bears interest at the rate of 6.0 % per annum. This loan is unsecured and will be repaid in one payment of \$ 108,412 March 31, 2000.	108,412	---
Prior year indebtedness repaid during the year	---	<u>122,025</u>
Total long term debt payable	<u>\$ 316,623</u>	<u>\$ 157,609</u>

DATALOGGER INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
YEAR ENDED MARCH 31, 1995

6. LONG TERM DEBT AND CAPITAL LEASES PAYABLE (Continued)

	<u>1995</u>	<u>1994</u>
(a) Long Term Debt Payable (Continued)		
Total long term debt payable	\$ <u>316,623</u>	<u>157,609</u>
(b) Capital Leases Payable		
The company is indebted to Ford Credit Canada Limited under a capital lease repayable in monthly installments of \$ 523, including interest of 14.4 % per annum, and one final payment of \$ 12,347 due July, 1996. The indebtedness is secured by automotive equipment having a carrying value of \$ 10,288.	17,981	---
The company is indebted to Dana Commercial Credit Canada Inc. under a capital lease repayable in monthly installments of \$ 797, including interest at 20.9 % per annum, with the last payment due December, 1995. The indebtedness is secured by computer equipment having a carrying value of \$ 5,582.	<u>6,584</u>	---
Total capital leases payable	<u>24,565</u>	---
TOTAL LONG TERM DEBT AND CAPITAL LEASES PAYABLE	\$ <u>341,188</u>	\$ <u>157,609</u>

(c) Long Term Debt and Capital Lease Principal Repayments

Principal repayments are due approximately as follows:

	Long Term <u>Debt</u>	Capital Leases <u>Payable</u>	<u>Total</u>
Fiscal 1996	\$ 98,770	\$ 10,648	\$ 109,418
Fiscal 1997	69,176	13,917	83,093
Fiscal 1998	40,265	---	40,265
Fiscal 1999	---	---	---
Fiscal 2000	<u>108,412</u>	<u>---</u>	<u>108,412</u>
	\$ <u>316,623</u>	\$ <u>24,565</u>	\$ <u>341,188</u>

Interest and bank charges include interest on long term debt of \$ 16,782 (1994 - \$ 7,736) and interest on capital leases of \$ 3,216 (1994 - \$ NIL).

DATALOGGER INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
YEAR ENDED MARCH 31, 1995

7. NOTES PAYABLE

	<u>1995</u>	<u>1994</u>
The company has entered into an agreement for the purchase of office equipment, with the purchase price being payable over one year in monthly installments of \$ 1,191, including interest at 1.5 % per month. The note matures January, 1996 and is secured by the related equipment which has a carrying value of \$ 11,700.	\$ 11,905	\$ ---
The company has entered into an agreement for the purchase of automotive equipment, with the purchase price being payable in eleven monthly installments of \$ 1,200, including interest at the rate of 26.61 % per annum. The note matures December, 1995 and is secured by the related equipment which has a carrying value of \$ 13,500.	10,800	---
Prior year indebtedness repaid during the year	<u>---</u>	<u>45,000</u>
Total notes payable	\$ <u>22,705</u>	\$ <u>45,000</u>

8. SHARE CAPITAL

(a) Shares Authorized

- Unlimited voting common shares
- Unlimited Class A voting preferred shares bearing a non-cumulative dividend of \$ 0.05 per share, redeemable at \$ 1.00 per share, retractable for a period ending three years after first listing of the company's common shares on the Alberta Stock Exchange on the basis of two common shares to be issued for each Class A preferred share retracted
- Unlimited Class B voting preferred shares, with rights to be set prior to issuance
- Unlimited Class C voting preferred shares, with rights to be set prior to issuance
- Unlimited Class D voting preferred shares, with rights to be set prior to issuance
- Unlimited Class E non-voting preferred shares, with rights to be set prior to issuance

DATALOGGER INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
YEAR ENDED MARCH 31, 1995

8. SHARE CAPITAL

(b) Shares Issued

Common shares

	<u>Number</u>	<u>Consideration</u>
Issued on incorporation	100	\$ 1
Issued on acquisition of proprietary technology	562,400	60,417
Issued for cash	<u>3,614,299</u>	<u>317,792</u>
Balance, March 31, 1994	4,176,799	378,210
Issued pursuant to public share offering	1,500,000	750,000
Direct costs of public issuance of shares	---	(115,969)
Issued on exercise of stock options	300,000	150,000
Issued pursuant to private placement	200,000	100,000
Issued on acquisition of subsidiary	<u>200,000</u>	<u>62,216</u>
Balance, March 31, 1995	<u>6,376,799</u>	1,324,457

Class A preferred shares

Issued on acquisition of capital assets in fiscal 1994	<u>279,755</u>	<u>279,755</u>
Balance, March 31, 1995		\$ <u>1,604,212</u>

(c) Options to Acquire Shares

The company has established a Stock Option Plan under which ten per cent of the issued common shares from time to time have been reserved for issuance to directors, officers and employees of the company.

At March 31, 1995, the company has granted options under the Stock Option Plan for the sale of 315,000 (1994 - 435,000) common shares at a price of \$.50 per share, which options expire March, 1999 as to 275,000 shares and June, 1999 as to 40,000 shares.

(d) Escrowed Securities

A total of 1,625,000 common shares and 237,500 Class A preferred shares have been deposited in escrow and may be released only upon the consent of the Alberta Securities Commission Agency

DATALOGGER INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
YEAR ENDED MARCH 31, 1995

9. STATUTORY INFORMATION

In the year ended March 31, 1995 the company did not pay any compensation to directors in their capacity as directors. In the year ended March 31, 1995 the top five officers and employees received compensation in the aggregate of \$ 237,261 (1994 - \$ 40,000).

10. INCOME TAXES

The company has available to it non-capital losses for income tax purposes which total \$ 394,465. These losses may be utilized to reduce taxable income in subsequent taxation years and expire as follows:

Fiscal 2000	\$ 127
Fiscal 2001	53,936
Fiscal 2002	<u>340,402</u>
	\$ <u>394,465</u>

11. COMMITMENTS

The company has entered into agreements for the lease of premises and vehicles. Minimum lease payments, exclusive of operating costs, may be summarized as follows:

Fiscal 1996	\$ 53,275
Fiscal 1997	54,483
Fiscal 1998	33,889
Fiscal 1999	<u>1,792</u>
	\$ <u>143,439</u>

In addition to the above minimum lease payments, the company is required to pay certain premises operating costs and taxes.

12. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the basis of presentation adopted in the current year.

CORPORATE DIRECTORY

Board of Directors

John R. Hornby
President
Datalogger Inc.

Brad Youmans
Chairman and CEO
Panther Software Corp.

Guy Farebrother
Director
Datalogger Inc.

Larry Novak
Director
Datalogger Inc.

Officers

John R. Hornby
President

Auditors

Schultz Leong
Chartered Accountants
218, 1935 - 32 Avenue N.E.
Calgary, Alberta T2E7C8

Transfer Agent

R-M Trust Company
600, 333 - 7 Avenue S.W.
Calgary, Alberta T2P 2Z3

Legal Counsel

Ogilvie and Company
1600, 407 - 2 Street S.W.
Calgary, Alberta T2P 2Y3

Bank

Toronto Dominion Bank
Sunridge Branch
2045 - 34 Street N.E.
Calgary, Alberta T1Y 6Z2

Head Office

1270, 144 - 4 Avenue S.W.
Calgary, Alberta T2P 3N4

Stock Exchange Listing

The Alberta Stock Exchange
Symbol : **DLI**

As of March 31, 1995 there
were 6.4 million shares issued
and outstanding

DATALOGGER KEY FEATURES

“User Friendly” Operation

Prompts for the **inputs** and the **output** readings are displayed on the LCD of the control panel.

- i) Time/Date ii) Well LSD iii) Update Interval
(entered via the toggle switch on control panel)

Requires Minimal Supervision:

- an initial trip to set-up the **SYSTEM** and another to disconnect. (Records data for up to 30 days.)

Standard Unit Configuration:

- up to 6 channel input capability
- up to 8000 readings/channel
- 12 Volt power supply — normal battery charge lasts up to 15 days (external battery pack available for longer tests)

Permanent Memory:

- **NON-VOLATILE** memory;
recorded data is not lost in the event of low battery power or battery removal



Data Retrieval and Reporting

- **“On or Off”** site downloading capabilities via RS-232 serial port to a peripheral (PC or printer)
- recorded data files are written in ASCII format and are compatible for use with available software (Excel, Lotus 1-2-3, Quattro Pro)
- field reports presented in graphical and numerical format
Datalogger reporting analysis available (Fekete Software).

Portability

- the **SYSTEM** is easily transported to “remote locations”
dimensions: 25" x 19" x 8" weight: 25 lbs.
- durable resin exterior — impact and weather resistant case

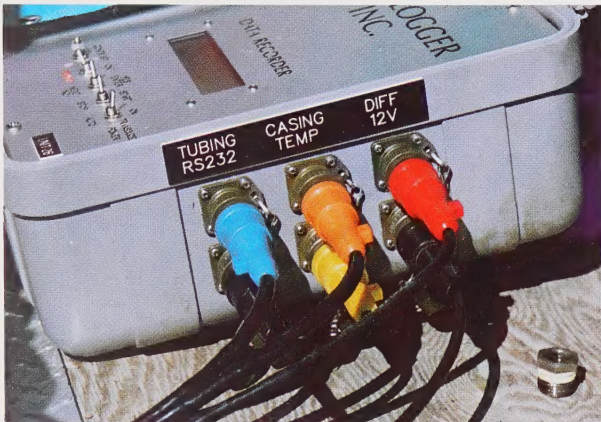


Consult your **Datalogger Inc.** representative for further information regarding additional applications of the Datalogger System.

DATALOGGER SYSTEM SPECIFICATIONS

Today, **Datalogger Inc.** continues to meet the challenge with continued development of the **Datalogger System** in its types of applications and in providing beneficial information for many companies in the Energy Industry throughout western Canada and international locations.

- **Memory:** 32K expandable to 256K
- **Clock:** real time calendar
- **Power supply:** 12 V DC — gel cell type battery
- **Control panel:** anodized aluminum plate
 - i. Character display: 2 x 16 x 1/2" alpha numeric (in real time readout)
 - ii. Toggle switches for input and control operations
- **Temperature rating:** -40° to 65°C



- **Transducer:** ERCB deadweight calibrated
Pressure ranges —
0 to 200, 500, 1000, 2000, 3000, 5000 psi
(readings in psi or kPa)
 - Output: 0 to 5 Volts DC
 - Accuracy: 1/4 of 1% of full scale
 - OverPressure tolerance:
2x pressure range
 - Materials: body — 17-4PH SS
wetted parts — 316 SS
(no o-rings)
 - Connection: 1/4" to 1/2" npt.
 - Length: 5"
- **Cable and connectors:** military spec. — 25' (8m) std. length
- **Downloading:** Communications Type Program
i.e. ProComm or Datalogger Custom Type-DC
- **RT Log Software:** Real Time Measurement Display Capabilities

